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October 15, 2008

Philip Giudice, Commissioner
Massachusetts Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

RE: Comments on Alternative Energy Portfolio Standard (APS) Regulations

Dear Commissioner Giudice:

Energy Recovery Systems LLC is a Massachusetts-based developer of recovered energy generation (REG) systems for industrial facilities in the Northeast. As such, we offer the following comments for consideration as APS regulations are being drafted.

A REG project utilizes waste heat or pressure energy to generate electrical power through the use of a bottoming cycle such as a steam Rankine cycle or an organic Rankine cycle. Waste heat or pressure that otherwise would be lost to the environment is recovered and converted into power. Typically, this waste energy is the lost byproduct of a manufacturing process, but if recovered it can be used to generate electrical power with little or no additional fuel input.


A REG system meets the broad definition of combined heat and power (CHP), i.e., utilizing both thermal and electrical energy from a single fuel input. As a result, REG projects fall squarely within the intent of the Green Communities Act legislation and should be encouraged through clear definitions in the APS regulations. However, a REG system represents a distinct case under CHP that requires independent consideration.

Specifically, the overall combined efficiency, if even measurable, of a REG system will be lower than a purpose-designed CHP system. However, because a REG system is recovering energy that otherwise would go to waste, it should not be constrained by the minimal efficiency standards typically applied to purpose-designed CHP systems. It is appropriate that no minimal efficiency limit be placed on REG systems. As long as a project is economically feasible, it creates a net energy gain and should be encouraged by the regulations.

REG systems benefit the environment and the economy since they reduce both overall energy usage and operating costs for the facilities in which they are installed. Monitoring and verification for compliance with APS regulations can be accomplished reliably with a standard electric meter. As the Office of Energy Resources writes regulations under APS, REG systems should be recognized as a special case under Combined Heat and Power.

Thank you for your consideration.

Sincerely,



Steven R. Neveu, PE
President